

DIARY NOTES

DD/S

9 March 1972

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Meeting with the Executive Director-Comptroller: I met with Mr. Colby to discuss the following:

a. Use of the Imprest Fund - Mr. Colby had noted a diverse pattern of rules and had some hesitation about the legality of our allowing payment to be claimed for entertainment of consultants and of employees of other U. S. Government organizations. He felt that he as Executive Director should issue some ground rules which would provide for consistent application throughout the Agency. After some discussion he apparently arrived at the conclusion that we would pick up the tab for consultants, we would not do so for U. S. Government employees in the absence of certified special conditions, we would eliminate the special rules for the Executive Dining Room and we would expect Agency employees to make at least some payment. I suggested and he agreed that his proposed paper be circulated to the Deputies before being issued.

Side points which came out are: that his review was at least in part occasioned by the billing for the MAG dinners. (He apparently intends to eliminate these and to have MAG consultations within office hours or between 1700 and 1900.) He also was focused on the charge for consultant panels (which I believe to be primarily a DD/S&T item). He particularly noted that the Clandestine Service by and large was very good in not charging except when foreigners are involved.

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b. Director and Deputy Director of Finance - I gave Mr. Colby the memorandum with blue notes and gave him additional information about the consultations with Colonel White and [REDACTED] and some of our other considerations. He seemingly had no worry at all with Mr. Yale and believes that the Director undoubtedly knows him from his Monetary days. Mr. Colby also recognized that Mr. Yale thoroughly understands the manner in which Agency funds are obtained and positioned for use and agreed that this is one thing which is extremely essential in terms of DCI confidence in his Director of Finance. Mr. Colby agreed that my talking to the Director on this matter would be appropriate. I expect that he will discuss the matter initially with Mr. Helms.

*- Paper returned approved
by DCI 9 March.*

c. General Walters - Mr. Colby had no additional information on the nomination or hearing date. I informed him of the question of effective date in the Agency pointing out that we expected to use the date of his commission as DDCI rather than the date of the Senate confirmation.

d. EOI - I suggested that we are uneasy at the seeming lack of overall approach to EOI what with separate study groups in NPIC and DD/I Headquarters while DD/S&T moves ahead on its own. Mr. Colby noted that the same point had been raised by [REDACTED] earlier today. Mr. Colby will I believe raise this as a point at a future Deputies Meeting.

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f. [REDACTED] - I gave Mr. Colby the latest paperwork and discussed the case a bit with him. He wondered if this could be helped by use of PSAS for example (I pointed out [REDACTED] comment that [REDACTED] indicated he could repay without difficulty), and also if he had been to a lawyer to raise the question of malpractice against the doctor which might produce payment by the doctor's insurance company. (I mentioned that he had at least been to one lawyer who had been in contact with the doctor but to no known conclusions.) I told him that we were still looking at the question of using other exceptional Agency authority.

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g. Classification - I showed him for demonstration purposes a pair of memos between DCI and General Counsel on the subject of classification which came to our attention only through an assist from the Executive Director rather than by being included as distributees.

h. Appearance of Senior Officials - I showed him and he desired to keep a paper prepared by OTR at our request detailing the calendar 1971 appearance of senior officials at training courses and other events such as Brookings luncheons.

JWC:llc